

Purchasing & Contracting





Mission Statement

To provide superior service and support to City departments and customers for the centralized acquisition of supplies, services and equipment outlay.

Department Description

The Purchasing and Contracting Department centralizes the City's procurement and contracting services. Multiple teams carry on the daily operational contracting needs of the organization, maintain the warehousing operations, monitor internal service level agreements, ensure Equal Opportunity Contract Compliance with federal, State, and municipal laws, regulations and procedures, and lead the City's Managed Competition Program.

Service Efforts and Accomplishments

The Equal Opportunity Contract Compliance team has recovered over \$250,000 in penalties and underpayments on behalf of subcontractors, vendors, and suppliers. As a certified State Labor Compliance Program, the City is able to achieve more efficient settlements, withhold contract payments for certain violations of the labor code, and collect and retain penalties when investigations establish occurrences of non-compliance.

Equal Opportunity Contract Compliance staff have provided training for contractors, consultants, developers, and City staff on all areas of contract compliance.

The Procurement teams have been working to streamline the procurement processes for goods, services, consultant and construction contracting. In addition, strategic procurement research is being conducted on other government contracts and best value contracting to increase the City's purchasing power.

The Purchasing team was recognized and received the "Achievement of Excellence in Procurement Award" from the National Institute of Government Purchasing for Fiscal Year 2007.

The Central Stores warehouse team undertook an entire reorganization effort, consolidating four warehouse locations into two, reducing obsolete inventory, improving restocking percentages, and eliminating delivery services that were not cost effective. This resulted in a direct savings to the Department and a savings to the City of \$1.1 million of reduced overhead charges.

Purchasing & Contracting

Budget Dollars at Work

In Fiscal Year 2006:

Enforced federal, State and Municipal regulations on:

- 187 construction contracts totaling \$30.8M
- 477 consultant/professional service contracts totaling \$23.8M
- Processed 8,746 Purchase Orders
- Received \$2.0M in revenue from sale of surplus property

Department Summary

Purchasing & Contracting				
	FY 2006 BUDGET	FY 2007 BUDGET	FY 2008 PROPOSED	FY 2007-2008 CHANGE
Positions	73.01	85.00	74.00	(11.00)
Personnel Expense	\$ 5,548,522	\$ 6,388,716	\$ 6,391,513	\$ 2,797
Non-Personnel Expense	\$ 18,058,597	\$ 18,365,356	\$ 23,065,876	\$ 4,700,520
TOTAL	\$ 23,607,119	\$ 24,754,072	\$ 29,457,389	\$ 4,703,317

Department Staffing

	FY 2006 BUDGET	FY 2007 BUDGET	FY 2008 PROPOSED
GENERAL FUND			
Equal Opportunity Contracting			
Business Opportunity Center	5.00	5.00	5.00
Consultant Services	2.00	3.00	3.00
EOCP-Contract and Labor Compliance	15.50	17.00	15.00
Total	22.50	25.00	23.00
Purchasing			
Division Management and Support	1.59	1.50	1.50
Requisition, P.O., and Contract Mgmt	19.00	20.00	20.00
Service Enhancement and Outreach	0.50	0.50	0.50
Total	21.09	22.00	22.00
Purchasing & Contracting			
Public Works Contracting	0.00	15.00	6.00
Purchasing & Contracting Admin	0.00	1.00	1.00
Total	0.00	16.00	7.00
CENTRAL STORES INTERNAL SERVICE FUND			
Central Stores			
Division Management	0.92	0.00	0.00
Mailroom Operations	7.00	7.00	7.00
Storeroom Operations	16.50	11.00	11.00

Purchasing & Contracting

Department Staffing

	FY 2006 BUDGET	FY 2007 BUDGET	FY 2008 PROPOSED
CENTRAL STORES INTERNAL SERVICE FUND			
Central Stores			
Stores Accounting	5.00	4.00	4.00
Total	29.42	22.00	22.00
DEPARTMENT TOTAL	73.01	85.00	74.00

Department Expenditures

	FY 2006 BUDGET	FY 2007 BUDGET	FY 2008 PROPOSED
GENERAL FUND			
Equal Opportunity Contracting			
Business Opportunity Center	\$ 504,631	\$ 508,266	\$ 568,237
Consultant Services	\$ 165,930	\$ 241,713	\$ 249,251
EOCP-Contract and Labor Compliance	\$ 1,783,297	\$ 1,851,190	\$ 1,777,433
Equal Opportunity Contracting	\$ -	\$ (171,323)	\$ (6,861)
Total	\$ 2,453,858	\$ 2,429,846	\$ 2,588,060
Purchasing			
Division Management and Support	\$ 227,646	\$ 216,552	\$ 223,697
Purchasing	\$ -	\$ (121,312)	\$ 5,293
Requisition, P.O., and Contract Mgmt	\$ 1,540,855	\$ 1,768,631	\$ 1,803,144
Service Enhancement and Outreach	\$ 117,185	\$ 117,638	\$ 120,100
Total	\$ 1,885,686	\$ 1,981,509	\$ 2,152,234
Purchasing & Contracting			
Public Works Contracting	\$ -	\$ 1,149,714	\$ 466,173
Purchasing & Contracting	\$ -	\$ (4,167)	\$ 11,943
Purchasing & Contracting Admin	\$ -	\$ 500,115	\$ 386,655
Purchasing & Contracting Programs	\$ -	\$ -	\$ 30,011
Total	\$ -	\$ 1,645,662	\$ 894,782
CENTRAL STORES INTERNAL SERVICE FUND			
Central Stores			
Division Management	\$ 226,334	\$ 56,534	\$ 54,551
Fin Mgmt - Central Stores	\$ -	\$ 924	\$ 27,199
Inventory Purchases	\$ 16,967,515	\$ 16,967,515	\$ 21,967,515
Mailroom Operations	\$ 462,192	\$ 459,577	\$ 486,946
Storeroom Operations	\$ 1,229,471	\$ 890,663	\$ 967,978
Stores Accounting	\$ 382,063	\$ 321,842	\$ 318,124
Total	\$ 19,267,575	\$ 18,697,055	\$ 23,822,313
DEPARTMENT TOTAL	\$ 23,607,119	\$ 24,754,072	\$ 29,457,389

Purchasing & Contracting

Significant Budget Adjustments

GENERAL FUND

Equal Opportunity Contracting	Positions	Cost	Revenue
Salary and Benefit Adjustments Adjustments to reflect the annualization of the Fiscal Year 2007 negotiated salary compensation schedule, changes to average salaries, retirement contributions, retiree health contributions, and other benefit compensation.	0.00 \$	291,222 \$	0
Increase to Retiree Health Care-Other Post-Employment Benefits (OPEB) Addition of funds to be applied towards the total liability for retiree health care.	0.00 \$	39,036 \$	0
Adjustments to Gas Tax and TransNet Revenues Overall Gas Tax and TransNet revenue is projected to increase for Fiscal Year 2008, one percent and three percent respectively. However, some departments realized a reduction in TransNet revenue as the result of the consolidation of the revenue into departments that perform the majority of transportation related activities: General Services - Streets Division, and Engineering and Capital Projects.	0.00 \$	0 \$	(91,145)
Revised Revenue Adjustment to Fiscal Year 2007 revenue to reflect Fiscal Year 2008 revenue projections.	0.00 \$	0 \$	(932,265)
Non-Discretionary Adjustments to reflect expenses that are determined outside of the Department's direct control. Examples of these adjustments include utilities, insurance, and rent.	0.00 \$	(2,955) \$	0
Savings from Business Process Reengineering (BPR) and the Five-Year Financial Outlook Expenditure adjustments in personnel and non-personnel expenses as a result of position reductions and BPR.	(2.00) \$	(14,694) \$	0
Vacancy Savings Adjustments in personnel expense from positions that are projected to be vacant for a period of time in Fiscal Year 2008 due to personnel transition and salary differentials for new employees.	0.00 \$	(57,022) \$	0
Support for Information Technology Funding is allocated according to a zero-based annual review of information technology funding requirements and priority analyses.	0.00 \$	(97,373) \$	0

Purchasing & Contracting

Significant Budget Adjustments

GENERAL FUND

Purchasing	Positions	Cost	Revenue
Salary and Benefit Adjustments Adjustments to reflect the annualization of the Fiscal Year 2007 negotiated salary compensation schedule, changes to average salaries, retirement contributions, retiree health contributions, and other benefit compensation.	0.00 \$	235,798 \$	0
Increase to Retiree Health Care-Other Post-Employment Benefits (OPEB) Addition of funds to be applied towards the total liability for retiree health care.	0.00 \$	42,759 \$	0
Revised Revenue Adjustment to Fiscal Year 2007 revenue to reflect Fiscal Year 2008 revenue projections.	0.00 \$	0 \$	(702,472)
Non-Discretionary Adjustments to reflect expenses that are determined outside of the Department's direct control. Examples of these adjustments include utilities, insurance, and rent.	0.00 \$	(3,981) \$	0
Vacancy Savings Adjustments in personnel expense from positions that are projected to be vacant for a period of time in Fiscal Year 2008 due to personnel transition and salary differentials for new employees.	0.00 \$	(47,256) \$	0
Support for Information Technology Funding is allocated according to a zero-based annual review of information technology funding requirements and priority analyses.	0.00 \$	(56,595) \$	0

Purchasing & Contracting	Positions	Cost	Revenue
Salary and Benefit Adjustments Adjustments to reflect the annualization of the Fiscal Year 2007 negotiated salary compensation schedule, changes to average salaries, retirement contributions, retiree health contributions, and other benefit compensation.	0.00 \$	78,831 \$	0
Training for new Purchasing and Contracting Department Structure Establishes budget for staff training in Managed Competition, professional certification, and cross-training.	0.00 \$	30,000 \$	0
Increase to Retiree Health Care-Other Post-Employment Benefits (OPEB) Addition of funds to be applied towards the total liability for retiree health care.	0.00 \$	6,603 \$	0

Purchasing & Contracting

Significant Budget Adjustments

GENERAL FUND

Purchasing & Contracting	Positions	Cost	Revenue
Revised Revenue	0.00 \$	0 \$	26,726
Adjustment to Fiscal Year 2007 revenue to reflect Fiscal Year 2008 revenue projections.			
Support for Information Technology	0.00 \$	(42,860) \$	0
Funding is allocated according to a zero-based annual review of information technology funding requirements and priority analyses.			
Non-Discretionary	0.00 \$	(104,532) \$	0
Adjustments to reflect expenses that are determined outside of the Department's direct control. Examples of these adjustments include utilities, insurance, and rent.			
Savings from Business Process Reengineering (BPR) and the Five-Year Financial Outlook	(9.00) \$	(718,922) \$	(253,037)
Expenditure adjustments in personnel and non-personnel expenses as a result of position reductions and BPR.			

CENTRAL STORES INTERNAL SERVICE FUND

Central Stores	Positions	Cost	Revenue
Salary and Benefit Adjustments	0.00 \$	67,664 \$	0
Adjustments to reflect the annualization of the Fiscal Year 2007 negotiated salary compensation schedule, changes to average salaries, retirement contributions, retiree health contributions, and other benefit compensation.			
Inventory Purchases	0.00 \$	5,000,000 \$	0
Adjustment to reflect projected expenses due to inventory purchases.			
Increase to Retiree Health Care-Other Post-Employment Benefits (OPEB)	0.00 \$	42,759 \$	0
Addition of funds to be applied towards the total liability for retiree health care.			
Non-Discretionary	0.00 \$	40,770 \$	0
Adjustments to reflect expenses that are determined outside of the Department's direct control. Examples of these adjustments include utilities, insurance, and rent.			

Purchasing & Contracting

Significant Budget Adjustments

CENTRAL STORES INTERNAL SERVICE FUND

Central Stores	Positions	Cost	Revenue
Funding for the Enterprise Resource Planning (ERP) System	0.00 \$	5,653 \$	0
This system will integrate all data and processes of the City's core functions into a unified data system. The ERP will replace independent applications the City has in place that will eliminate the need for external interfaces, provide a range of standardization, reduce maintenance, and allow for greater reporting capabilities.			
Revised Revenue	0.00 \$	0 \$	4,629,879
Adjustment to Fiscal Year 2007 revenue to reflect Fiscal Year 2008 revenue projections.			
Support for Information Technology	0.00 \$	(585) \$	0
Funding is allocated according to a zero-based annual review of information technology funding requirements and priority analyses.			
Vacancy Savings	0.00 \$	(31,003) \$	0
Adjustments in personnel expense from positions that are projected to be vacant for a period of time in Fiscal Year 2008 due to personnel transition and salary differentials for new employees.			

Expenditures by Category

	FY 2006 BUDGET	FY 2007 BUDGET	FY 2008 PROPOSED
PERSONNEL			
Salaries & Wages	\$ 3,680,733	\$ 4,211,340	\$ 4,114,998
Fringe Benefits	\$ 1,867,789	\$ 2,177,376	\$ 2,276,515
SUBTOTAL PERSONNEL	\$ 5,548,522	\$ 6,388,716	\$ 6,391,513
NON-PERSONNEL			
Supplies & Services	\$ 17,463,726	\$ 17,829,878	\$ 22,765,737
Information Technology	\$ 416,964	\$ 354,839	\$ 153,711
Energy/Utilities	\$ 157,257	\$ 154,095	\$ 119,884
Equipment Outlay	\$ 20,650	\$ 26,544	\$ 26,544
SUBTOTAL NON-PERSONNEL	\$ 18,058,597	\$ 18,365,356	\$ 23,065,876
TOTAL	\$ 23,607,119	\$ 24,754,072	\$ 29,457,389

Revenues by Category

	FY 2006 BUDGET	FY 2007 BUDGET	FY 2008 PROPOSED
GENERAL FUND			
Revenue from Other Agencies	\$ -	\$ 109,309	\$ 31,200

Purchasing & Contracting

Revenues by Category

	FY 2006 BUDGET	FY 2007 BUDGET	FY 2008 PROPOSED
GENERAL FUND			
Charges for Current Services	\$ 2,869,869	\$ 3,077,182	\$ 1,345,781
Transfers from Other Funds	\$ 142,683	\$ 142,683	\$ -
TOTAL	\$ 3,012,552	\$ 3,329,174	\$ 1,376,981

Salary Schedule

GENERAL FUND

Purchasing & Contracting

<i>Class</i>	<i>Position Title</i>	<i>FY 2007 Positions</i>	<i>FY 2008 Positions</i>	<i>Salary</i>	<i>Total</i>
1105	Administrative Aide I	3.00	2.00	\$ 43,820	\$ 87,640
1218	Assoc Management Analyst	3.00	2.00	\$ 64,539	\$ 129,077
1535	Clerical Assistant II	3.00	1.00	\$ 35,402	\$ 35,402
1536	Contracts Processing Clerk	4.00	0.00	\$ -	\$ -
1746	Word Processing Operator	0.00	1.00	\$ 37,845	\$ 37,845
1879	Sr Clerk/Typist	1.00	0.00	\$ -	\$ -
1917	Supv Management Analyst	1.00	0.00	\$ -	\$ -
2132	Department Director	1.00	1.00	\$ 139,999	\$ 139,999
	Total	16.00	7.00		\$ 429,963

Purchasing

<i>Class</i>	<i>Position Title</i>	<i>FY 2007 Positions</i>	<i>FY 2008 Positions</i>	<i>Salary</i>	<i>Total</i>
1218	Assoc Management Analyst	1.00	1.00	\$ 64,538	\$ 64,538
1282	Procurement Specialist	7.00	7.00	\$ 58,568	\$ 409,979
1287	Buyers Aide II	0.00	1.00	\$ 44,928	\$ 44,928
1348	Info Systems Analyst II	1.00	0.00	\$ -	\$ -
1349	Info Systems Analyst III	0.00	1.00	\$ 71,601	\$ 71,601
1401	Info Systems Technician	1.00	1.00	\$ 50,993	\$ 50,993
1536	Contracts Processing Clerk	3.00	3.00	\$ 39,397	\$ 118,191
1746	Word Processing Operator	2.00	2.00	\$ 37,845	\$ 75,690
1783	Principal Procurement Specialist	3.00	3.00	\$ 71,552	\$ 214,656
1850	Sr Procurement Specialist	1.00	1.00	\$ 65,173	\$ 65,173
1879	Sr Clerk/Typist	1.00	0.00	\$ -	\$ -
1917	Supv Management Analyst	1.00	1.00	\$ 80,610	\$ 80,610
2176	Purchasing Agent	1.00	1.00	\$ 119,758	\$ 119,758
	Vacancy Factor Adjustment	0.00	0.00	\$ -	\$ (39,484)
	Overtime Budgeted	0.00	0.00	\$ -	\$ 7,528
	Temporary Help	0.00	0.00	\$ -	\$ 560
	Total	22.00	22.00		\$ 1,284,721

Purchasing & Contracting

Salary Schedule

GENERAL FUND

Equal Opportunity Contracting

<i>Class</i>	<i>Position Title</i>	<i>FY 2007 Positions</i>	<i>FY 2008 Positions</i>	<i>Salary</i>	<i>Total</i>
1104	Account Clerk	1.00	1.00	\$ 37,878	\$ 37,878
1106	Sr Management Analyst	1.00	7.00	\$ 70,802	\$ 495,614
1107	Administrative Aide II	3.00	2.00	\$ 50,686	\$ 101,372
1218	Assoc Management Analyst	13.00	2.00	\$ 64,538	\$ 129,076
1221	Assoc Engineer-Civil	0.00	3.00	\$ 80,375	\$ 241,125
1535	Clerical Assistant II	1.00	1.00	\$ 35,402	\$ 35,402
1746	Word Processing Operator	1.00	1.00	\$ 37,845	\$ 37,845
1855	Sr Civil Engineer	0.00	2.00	\$ 92,803	\$ 185,606
1879	Sr Clerk/Typist	1.00	1.00	\$ 43,313	\$ 43,313
1917	Supv Management Analyst	3.00	2.00	\$ 80,610	\$ 161,220
2214	Deputy Director	1.00	1.00	\$ 119,758	\$ 119,758
	Vacancy Factor Adjustment	0.00	0.00	\$ -	\$ (47,646)
	Overtime Budgeted	0.00	0.00	\$ -	\$ 5,913
	Total	25.00	23.00	\$	\$ 1,546,476
General Fund Total		63.00	52.00	\$	\$ 3,261,160

CENTRAL STORES INTERNAL SERVICE FUND

Central Stores

<i>Class</i>	<i>Position Title</i>	<i>FY 2007 Positions</i>	<i>FY 2008 Positions</i>	<i>Salary</i>	<i>Total</i>
1104	Account Clerk	1.00	1.00	\$ 37,878	\$ 37,878
1194	Auto Messenger II	6.00	6.00	\$ 35,470	\$ 212,819
1236	Auto Messenger	1.00	1.00	\$ 31,137	\$ 31,137
1237	Payroll Specialist I	1.00	1.00	\$ 39,514	\$ 39,514
1282	Procurement Specialist	1.00	1.00	\$ 58,568	\$ 58,568
1533	Stores Operations Supv	1.00	1.00	\$ 54,848	\$ 54,848
1535	Clerical Assistant II	2.00	2.00	\$ 35,402	\$ 70,804
1879	Sr Clerk/Typist	1.00	1.00	\$ 43,314	\$ 43,314
1899	Stock Clerk	5.00	5.00	\$ 36,016	\$ 180,082
1901	Storekeeper III	1.00	1.00	\$ 47,682	\$ 47,682
1902	Storekeeper I	1.00	1.00	\$ 41,330	\$ 41,330
1903	Storekeeper II	1.00	1.00	\$ 45,490	\$ 45,490
	Vacancy Factor Adjustment	0.00	0.00	\$ -	\$ (25,904)
	Overtime Budgeted	0.00	0.00	\$ -	\$ 16,276
	Total	22.00	22.00	\$	\$ 853,838

PURCHASING & CONTRACTING TOTAL 85.00 74.00 \$ **4,114,998**

Purchasing & Contracting

Revenue and Expense Statement (Non-General Fund)

CENTRAL STORES INTERNAL SERVICE FUND 50010

	FY 2006* BUDGET	FY 2007* BUDGET	FY 2008* PROPOSED
BEGINNING BALANCE AND RESERVE			
Balance from Prior Year	\$ 1,643,911	\$ 1,117,105	\$ 1,717,409
TOTAL BALANCE	\$ 1,643,911	\$ 1,117,105	\$ 1,717,409
REVENUE			
Interoffice Mail Delivery	\$ 329,011	\$ 329,011	\$ 329,011
Reimbursed Material	\$ 17,337,636	\$ 17,337,636	\$ 21,967,515
Reimbursed Materials Surcharge	\$ 1,525,712	\$ 1,525,712	\$ 1,525,712
Surplus Property Sales	\$ 30,000	\$ 30,000	\$ 30,000
Surplus Property Surcharge	\$ 75,000	\$ 75,000	\$ 75,000
TOTAL REVENUE	\$ 19,297,359	\$ 19,297,359	\$ 23,927,238
TOTAL BALANCE AND REVENUE	\$ 20,941,270	\$ 20,414,464	\$ 25,644,647
OPERATING EXPENSE			
Inventory Purchases	\$ 16,967,515	\$ 16,967,515	\$ 21,967,515
Personnel and Non-Personnel Expense	\$ 2,300,060	\$ 1,729,540	\$ 1,854,798
TOTAL OPERATING EXPENSE	\$ 19,267,575	\$ 18,697,055	\$ 23,822,313
TOTAL EXPENSE	\$ 19,267,575	\$ 18,697,055	\$ 23,822,313
BALANCE	\$ 1,673,695	\$ 1,717,409	\$ 1,822,334
TOTAL EXPENSE, RESERVE AND BALANCE	\$ 20,941,270	\$ 20,414,464	\$ 25,644,647

* At the time of publication audited financial statements for Fiscal Year 2006 were not available. Therefore, the Fiscal Years 2006 and 2007 columns reflect final budget amounts from the Fiscal Year 2006 and 2007 Annual Budgets. As such, balances and reserves do not reflect carryover from the previous fiscal year.